# RAJYA SABHA

*Monday 8th May 1995/18th Vaisakha* 1917 *(Saka)*

The House met at eleven of the dock, Mr. Chairman in the Chair.

## ORAL ANSWERS TO QUESTIONS

### Mechanism on the Functioning of P.D.S.

*461.SHRI SARADA MOHANTY: Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government have evolved any mechanism to monitor and advise th© State Governments for bringing improvement in the functioning of PDS in various States;

(b) if so, the details thereof;

(c) whether it has come to Government's notice that PDS in the State of Orissa has virtually collapsed due to growing irregularities; and

(d) the steps Government property to take in the matter?

THE MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI BUTA SINGH): (a) to (d) A Statement is laid on the Table of the House.

**State ment**

(a) and (b) Strengthening and stream-ling of the Public Distribution System is a continual process. Suggestions and measures to improve the Public Distribution System (PDS) are discussed in the meetings of the Advisory Council on PDS in which Ministers in-charge of Food and Civil Supplies Departments in the State Governments|UT Administration are- members. Minister of Civil Supplies, Consumer Affairs and Public Distribution is the Chairman of the Advisory Council on PDS. In addition to the meetings of the Advisory Council Minister of Civil Supplies, Consumer Affairs & Public Distribution holds periodic regional meetings with the States Governments/UT Administrations for re-viewing the implementation of the Public Distribution System and the Revamped Public Distribution System (RPDS) and making suggestions.

(c) Central Government has not Deceived any specific report regarding collapse of PDS in Orissa.

(d) Does not arise.

SHRIMATI VEENA VERMA: Sir, Question Numbers 461 and 462 relate to the same subject. Hence, we can take them up together.

MR. CHAIRMAN: That is not necessary. You will also be given a chance.

SHRI SARADA MOHANTY: Mr. Chairman, Sir, I would like to know from the Minister whether the Government of India has any mechanism to find out from the States, the areas where irregularities are taking place. What are the specific steps taken by the Government of India to identify the bottlenecks and curb loopholes in order to effectively implement the Public Distribution System?

SHRI BUTA SINGH: Sir, as the hon. Minsiter said just now, we have not received any complaints from the State Government or from any proper agency from the State. I will take it up if the hon. Member writes to me giving specific details as to where be wants us to probe. Otherwise, the Public Distribution System in primarily the responsibility of the State. We are concerned with the supply of foodgrains and other items which are meant for the PDS. I am prepared to look into any complaint if the hon. Member can write *to* me or if any agency can forward the complaint to me.

SHRI SARADA MOHANTY: What is the creterion for allotment of sugar, kerosene and wheat to differ-ent States? Is it being alloted on allotted on per capita income basis? If not, why not? The (b) part of my ques tion is: what are the reasons for

inadequate allotment of these items to the State of Orissa? Will the Government enhance this allocation keeping in view the demand of the State?

SHRI BUTA SINGH: Sir, allocations are made according to the demand projected by the State. We have been making allocation? to all the Staes including Orissa. Unfortunately, since one year, the allocations made have not been lifed to the extent they had asked for. Therefore, there is no dearth of allocations. Orissa has got its share, but the lifting part of it is not commensurate with the allocation made to the Government of Orissa.

SHRI H. HANUMANTHAPPA: Mr. Chairman, Sir, the Public Distribution System covers the length and breadth of this country. This has been a very good source for self-employment espec ially for the educated unemployed in the rural areas. Of late, because of privati sation and resource crunch, employment opportunities for the educated has been reduced to a very large extent. Taking this into consideration, the Karnataka Government has amended its rules. It has started giving Fair Price Depots to the S:heduled Castes and Scheduled Tri bes and also the ex-defence personnel. Will tile Minister take up this issue be cause this is a self -employment prog-rame wherein the educated unemployed particularly in the rural areas, can be involved? This is an area, can where the weaker sections have been denied of this opportunity and the Karnataka Go vernment has taken the lead, amended its rules and provided reservation. Will the Minister take this into consideration with a view to providing reservation to the educated unemployed belonging to the Scheduled Castes and the Scheduled Tribes spread over the length and breadth of the country? Of course, distribution is a State subject. Will the USe his good offices to impress upon the State Governments to provide reservations to these classes so that the un-employed youths can join the self-employment scheme?

SHRI BUTA SINGH : At the moment, the general scheme of public distribution System is not a targeted one. Only a part of in which is called the revamped public distribution system is targeted for the various categories like the integrated tribal development, des-ent prone areas, drought-prone areas, hill areas, difficult areas and economically backward areas. So, these are the various areas which qualify for the revamped public distribution system. Out of the total 5,196 blocks in the Country, the revamped system has been introduced in 1,775 blocks which are eco-nomically backward areas and difficult areas. The hon. Member is suggesting that in Karnataka special targeted groups like the SCs and STs and the ex-army people should be covered. It is a good sugegstion. If such a proposal comes from the Government of Kamataka, we will definitely examine it. Our target is that by another 2-3 months, we pro pose to cover about 2.400 blocks under the revamped public distribution system throughout the country.

SHRI H. HANUMANTHAPPA: Sir, I am sorry that the target area is different. My question is about allotment of fair price depots to the individuals. T know about the targeted areas, targeted blocks, backward areas, tribal areas, etc. I am talking about the people who manage the fair price depots that are allotted to the individuals, the educated unemployed in the. rural areas. I want you to provide reservation to those people while allotting the. fair price depots. The Karnataka Govtrnment has gone ahead, amended the ru-les and provided, reservation, of 15 per cent, 5 per cent and 3 per cent to the SCs. STs and Defence personnel respectively.

SHRI BUTA SINGH: This is a very good Suggestion. The allocation or allotment of fair price depots is done by the State Governments. We will for-war dthis suesestion to the concerned States, especially to Karnataka.

श्री ओ० पी० कोहली : सभापति महोदय मैं आपके माध्यम से माननीय मंत्री जी से जानना चाहूंगा कि सार्वजनिक वितरण प्रणाली के माध्यम से सरकार कितना अनाज वितरित कर रही है ? देश की कुल आबादी का कितना प्रतिशत सार्वजनिक वितरण प्रणाली के अन्तर्गत लाया गया है ? पहाड़ी क्षेत्रों और दूरदराज के क्षेत्रों में सार्वजनिक वितरण प्रणाली को पहुंचाने के लिए सरकार ने हाल ही में क्या कदम उठाए हैं ?

श्री बूटा सिंह : सभापति जी, जैसाकि मैंने शुरू में पहले प्रश्न के उत्तर में कहा कि वितरण प्रणाली, जिसे कि पब्लिक डिस्ट्रीब्यूशन सिस्टम कहा जाता है, के माध्यम से पूरे देशभर में फेअर प्राइस शॉप्स खोली गयी है ; उसमें कुछ अंश खास जो मुश्किल क्षेत्र हैं, उनके लिए है . . . (व्यवधान) . . .

श्री ओ० पी० कोहली : सर मैंने पूछा है कि कुल कितना अनाज इस प्रणाली के अन्तर्गत वितरित किया जा रहा है और क्या इसे बढ़ाए जाने की योजना है ?

SHRI BUTA SINGH: An amount of 18 million tonnes of foodgrains was distributed in 1993-94. It has come] down because the offtake in the States has shrunk- We are making efforts so that it can be revamped and the States can be in a better position to lift the foodgrains that have been allocated to them through the allocation system. So, there is a slight decrease from the allocation to the offtake. There is an adequate system in all the cities. Pair price shops under the public distribution system are available throughout the country. Foodgrains are available with the Government of India. We have as a mater of faot quite a big buffer stock and we are at the moment worried about it. There is no shortage of food and the States can draw as much as they can.

SHRI O. P. KOHLI: Sir, my question has not been replied to. I asked about the percentage of the population of the country that has been brought under he public distribution system. This question has not been replied to by the hon. Minister, Sir.

SHRI BUTA SINGH: Sir, as I said, we have not been targeting at the population. We have left it to the State Governments to cover the areas and allot the PDS facilities. We are responsible for providing the foodgrains from the Government of India side. So, it is for the State Governments to cover and we are here to help them both in matters of transport and in moving the foodgrains from one part of the country to the other. According to my information,... *(Interruptions)*..

MR. CHAIRMAN: Maybe, you can collect the information on population from the states?

SHRI BUTA SINGH: Yes, Sir.

SHRI INDER KUMAR GUJRAL: Sir, I have one point and that is that, after all, the Government dots not supply foodgrains on an arbitrary deomand. They must be having Some data available with them; how does a State but in a demand? How many people are covered?

MR. CHAIRMAN: The Minister says that he would collect the information... *(Interruptions)*.. He has said that he would collect the information.

SHRI BUTA SINGH : Sir, we have the information as regards the per family or per capita requirements under the RPDS. But for the general PDS, it is for the State Governments to assess the requirements and place them before the Government of India.

SHRI INDER KUMAR GUJfcAL: Do the State Governments give the figures?

SHRI BUTA SINGH: They give us the figures for foodgrains in bulk and we provide the foodgrains in bulk.... *(Interruptions)*,. . .

SHRI O. P. KOHLI: Chairman, Sir, my question is very simple... *{Interruptions),*

MR. CHAIRMAN: You wanted the number of people covered.

SHRI O. P. KOHLI: Yes.

MR. CHAIRMAN: The Minister said that he would collect the information.

SHRI BUTA SINGH: Sir, my information is that cove-rage under the PDS is universal and hundred per cent. The entire area in the country is covered under the PDS.

SHRI ASHOK MITRA: Sir, the gene ral price index is rising relentlessly week after week and the only way in which you can make an impression on prices.. *(Interruptions)..* and the only way in which you can create any impression on prices is by widening the public distri bution of foodgrains. But what is hap pening is that you have 30 million tonnes of foodgrains in stock and you are think ing in terms of exporting 4x1/2 million tonnes at a loss. You will not reduce the price of foodgrains in the Public Dis tribution System because that would entail increasing the subsidy, which the World Bank and the International Mone-tory Fund would not approve of. But . this is the dilemma of your policy as to whether you are going to save your peo ple, which is the purpose of the PDS, or you are going to satisfy the World Bank and the IMF. It is no use and we can go on to say this and that in answer to a Parliament Question, but this is not the best wap if you want to .. *(Interrup tions)* ____

SHRI BUTA SINGH: Sir, what is the question? No less an authority than the Prime Minister of India, while replying to the delets on the President's Address, went .on record to say that we were concerned and we were thinking of providing food to the people of India at affordable prices. There is no doubt about that at the moment. The revampted system, also' will not serve its purpose unless the variation between the prices of commo-dities available in the open market and those in the fair price shops is attractive enough. Unless it is so, the people will not go to the fair price shops. That is a fact which the. Government is aware of and we are trying to take steps by which the PDS could be made more at-tratcive, maybe by... *(Interruptions)....* by increasing the price variation of commodities available in the open market and those available in the fair price shops. This is what the Government is aiming at.

SHRI SURINDER KUMAR SINGLA: First of all, I must commend the recent efforts of the hon. Minister at taking a *lot of* effective steps *for teaching the* PDS to the poor people. The first part of my question is what specific problems he faced in making the PDS reach the poor, Secondly, is his Ministry thinking in $term_s$ of restricting the PDS only to the poor people and denying it to the Income tax, assesses, etc? Is there any proposal with the, Ministry?

SHRI BUTA SINGH: Sir, this is a broader issue and it has been engaging the attention of the State Governments and the Central Government. Some States have taken steps, such as, Gujarat, Haryana and Rajasthan where certain category of consumers have been excluded from the eligibility criteria for supply of wheat and rice through the Public Distribution System. Only Income-tax payers are excluded on a voluntary disclosure basis in Rajasthan. The Government of Gujarat has reported that the Incometax payers, Sales Tax assessees, farmers other than small and marginal farmers and persons having an annual income of Rs. 28,000/- under each category have been excluded. But, Sir, this is an issue for which we had appointed a Committee consisting of Ministers from the States of Tamil Nadu, West Bengal and Haryana. The Committee has given its report and consideration of that report is at a fairly advanced stage. We are considering it and we will come to the House as and when the Government is able to finalise it. We have to take into consideration the views of all the States before we announce such a policy.

SHRI SURINDER KUMAR SINGLA: What, are the problems that the Minister has faced in reaching the PDS to poor people and what malpractices is he really going to eliminate? He said that there is a lot of vested interests in really making the PDS reach to poor people.

SHRI BUTA SINGH: Sir,we have come to know through the consumer fora from various parts of the country about the mal-practices that have been indulged in by some of the shops. The main problem is that the State Governments have to tighten the machinery and make the fair price shop system adequate to meet the requirements of local population. So, that is where the bottleneck has come.

**Reducing prices of consumer items under RPDS**

*462. SHRIMATI. VEENA VERMA:

SHRI SUSHILKUMAR SAM-BHAJIRAO SHINDE;

Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government have had under consideration the question of further reducing the sale price of con sumer items under the Revamped Public Distribution System and to include more essential items like pulses, edible oils, tea and soaps under the RPDS, and

(b) whether there is also a proposal to extend RPDS to 500 backward blocks, if so, the criteria to be applied for identification of such blocks?

THE MINISTER OF CIVIL SUPPLIES CONSUMER AFFAIRS "AND PUBLIC DISTRIBUTION (SHRI BUTA SINGH): (a) and (b) A statement is laid on the Table of the House.

**Statement**

(a) The Central Government makes bulk allocation of only rice, wheat, levy sugar superior kerosene oil., imported edible oil and soft coke to States|UTs for the Public Distribution System (PDS) including the areas covered under the Revamped Public Distribution System (RPDS). State Government/UT Administrations have been advised to and additional items of mass consumption for distribution in PDS and RPDS areas according to local needs and consumer preferences. Many State Govern-ment/UT Administrations have reported that they are distributing additional items such as pulses, soaps iodised salt and tea through Fair Price Shops. Suggestions]requests are made by State Governments/UT Administrations and Central Ministries regarding the reduction of Central Issue Prices of foodgrains for the PDS/RPDS from time to time. Government has not reduced the Central Issue Price of foodgrains meant for distribution in the RPDS areas as these are already being issued at specially subsidised Central Issue Prices.

(b) Yes, Sir. A proposal to extend RPDS to all the additional blocks identified for implementation of the Employment Assurance Scheme is under consideration.

SHRIMATI VEENA VERMA: Sir, the programme of action of the Revamped Public Distribution System includes elimination of Private transport of essential commodities to PDS fair price shops by making direct supply to fair price shops and to eliminate the bogus units and ration cards. I would like to know how far the leakage of essential items under PDS has been eliminated and how many bogus units and ration cards registered under RPDS have been cancelled during this period, since January, 1992 when this Scheme was launched. I would also like to know how many genuine RPDS consumers are lift and how many are being catered under the RPDS and how many of them arc in tribal areas, especially in Madhya Pradesh. How many blocks had been included in the Revamped Public Distribution System in Madhya Pradesh in the year 1994?

SHRI BUTA SINGH: As I said earlier, out of a total 5,196 blocks in the country, 1,775 blocks are covered under the

†The Question was actually asked in the floor of the House, by Shrimati Veena Verma.